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### MINISTRY OF COMMERCE AND INDUSTRY

#### NOTIFICATION

*New Delhi, the 5th November 1960*

S.O. 2692.—Whereas in the opinion of the Central Government, it is expedient so to do:

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 12 of the Forward Contracts (Regulation) Act, 1952 (74 of 1952), the Central Government hereby makes the following amendments to the Bye-laws of the East India Jute and Hessian Exchange Ltd., Calcutta, for trading in Transferable Specific Delivery Contracts in raw jute and jute goods, namely:—

I. In the said Bye-laws, in Chapter V, "Trading Provisions—General",

(1) for Bye-law 1, the following Bye-law shall be substituted, namely:—

- "1. (a) No trading in Transferable Specific Delivery Contracts in any delivery or deliveries in raw jute and/or jute goods shall be effected otherwise than between members or through or with any member or, where the services of a broker, who is not a member, are employed by a member, otherwise than through a licensed broker.
- (b) All Transferable Specific Delivery Contracts shall be in writing in the prescribed forms (Appendix II for jute goods and Appendix IV for raw jute).
- (c) No such contract in any delivery or deliveries as aforesaid shall be entered into before such date as may be fixed in that behalf by the Board with the prior concurrence of the Forward Markets Commission.
- (d) The Board may, with the concurrence of the Forward Markets Commission, restrict the number of transfers of Pucca Delivery Orders issued against Transferable Specific Delivery Contracts in raw jute and/or jute goods and provide for the registration of Pucca Delivery Orders and Transferable Specific Delivery Contracts in such manner as may be prescribed by the Board.
- (e) Notwithstanding anything contained in this Bye-law, the Board may, if the interest of the trade or public interest so requires, and with the previous approval of the Forward Markets Commission, prohibit members and brokers from entering into Transferable Specific Delivery Contracts for sale or purchase of any variety or varieties of raw jute and/or jute goods as may be specified in that behalf.
- (f) The powers specified in clauses (c), (d) and (e) above may be exercised by the Forward Markets Commission in any case where in the opinion of the Commission it is expedient in the interest of the trade so to do.
- (g) All Transferable Specific Delivery Contracts shall be subject to the provisions of these Bye-laws."

(2) after Bye-law 8, the following Bye-laws shall be inserted, namely:—

- "9. (a) The Board may, from time to time, by a resolution passed by itself and concurred in by the Forward Markets Commission, impose any system or systems of margins and determine the amount of margin and the manner of payment thereof in respect of transactions in Transferable Specific Delivery Contracts in raw jute and/or jute goods, including transactions entered into before such imposition.
- (b) Notwithstanding anything contained in clause (a) of this Bye-law the Board may from time to time, by a resolution passed by itself and concurred in by the Forward Markets Commission, vary, alter or amend the system or systems of margins that may be in force, in pursuance of this Bye-law.
- (c) The powers specified in clauses (a) and (b) above may be exercised by the Forward Markets Commission in any case where, in the opinion of the Forward Markets Commission, it is expedient in the interest of trade or public interest so to do.
- 10 (a) The Board may in the interest of the trade or in the public interest, by resolution passed at a meeting specially convened for the purpose by a majority of not less than two-thirds of the Directors present and with the concurrence of the Forward Markets Commission, prohibit trading in Transferable Specific Delivery Contracts, in any delivery or deliveries, for the sale or purchase of raw jute and/or jute goods at the rate or rates above a maximum or below a minimum to be fixed by the said resolution for a specified period or until further notice as may be fixed by the Board in that behalf.
- (b) The Board may from time to time by resolution passed at a meeting specially convened for the purpose by a majority of not less than two-thirds of the Directors present, and concurred in by the Forward Markets Commission, extend or reduce the period during which a prohibition imposed under clause (a) above shall be in force.
- (c) The Board may, by resolution passed at a meeting specially convened for the purpose by a majority of not less than two-thirds of the Directors present, and concurred in by the Forward Markets Commission, vary the maximum and/or the minimum rate or rates fixed under clause (a).
- (d) The powers specified in clauses (a), (b) and (c) hereof may be exercised by the Forward Markets Commission in any case where, in the opinion of the Commission, it is expedient in the interest of the trade or in the public interest so to do.
- 11 If the Forward Markets Commission is of opinion that continuation of trading in Transferable Specific Delivery Contracts in any delivery or deliveries of raw jute and/or jute goods is detrimental to the interest of the trade or the public interest or to the larger interests of the economy of India and so notifies the Chairman, then notwithstanding anything to the contrary contained in these Bye-laws or Transferable Specific Delivery Contracts made subject to these Bye-laws, every Transferable Specific Delivery Contract of raw jute and/or jute goods relating to any delivery or deliveries notified under this Bye-law and entered into between a member and a member or between a member and a non-member then outstanding shall be deemed closed out at such rate or rates as shall be fixed by the Forward Markets Commission."

II. In pursuance of the proviso to sub-section (4) of section 12 of the Forward Contracts (Regulation) Act, 1952 (74 of 1952), the Central Government, in the interest of the trade, dispenses with the condition of previous publication of the amendments aforesaid in the Gazette of India and in the Official Gazette of the State of West Bengal.

[No. 33(9)-TMP/FMC/60.]

K. V. VENKATACHALAM, Jt. Secy.